

REMARKS:

Claims 1-24 and 26-29 are currently pending in the application. Claims 11-24 stand withdrawn without prejudice or disclaimer; however, the Applicants respectfully request that if the Examiner withdraws the restriction with respect to any non-elected claims, the Examiner reinstate and examine those claims. Claims 1-10 and 26-28 stand rejected under 35 U.S.C. § 101. Claims 1-10 and 26-29 stand rejected under 35 U.S.C. § 112, second paragraph. Claims 1-10 and 26-29 stand rejected under 35 U.S.C. § 102(e) over U.S. Patent No. 6,341,271 B1 to Salvo et al. ("*Salvo*"). Claims 1-10 and 26-29 stand rejected under 35 U.S.C. § 103(a) over U.S. Patent No. 6,151,582 B2 to Huang et al. ("*Huang*") in view of Dobler's Production and Inventory Control Handbook, Chapter 10 Capacity Planning, 3rd Ed., ("*Greene*") and in further view of White's How Computers Work, ("*White*").

By this Amendment, claim 4 has been canceled without prejudice and independent claims 1 and 26-29 and dependent claims 7-9 have been amended to more particularly point out and distinctly claim the Applicants invention. By making these amendments, the Applicants make no admission concerning the merits of the Examiner's rejection, and respectfully reserve the right to address any statement or averment of the Examiner not specifically addressed in this response. Particularly, the Applicants reserve the right to file additional claims in this Application or through a continuation patent application of substantially the same scope of originally filed claims 1-10 and 26-29. No new matter has been added.

REJECTION UNDER 35 U.S.C. § 101:

Claims 1-10 and 26-28 stand rejected under 35 U.S.C. § 101 as allegedly being directed towards non-statutory subject matter.

Although the Applicants believe claims 1-10 and 26-28 are directed to patentable subject matter without amendment, the Applicants have amended independent claims 1 and 26-28 and dependent claims 7-9 to more particularly point out and distinctly claim the

Applicant's invention. By making these amendments, the Applicants do not indicate agreement with or acquiescence to the Examiner's position with respect to the rejections of these claims under 35 U.S.C. § 101, as set forth in the Office Action.

It appears that the Examiner is basing the 35 U.S.C. § 101 rejection on an alleged failure to be "***within the technological arts***." (18 April 2006 Final Office Action, Pages 2-3). The Applicants respectfully disagree.

In fact, the Board of Patent Appeals and Interferences has recently ruled that no such test exists:

Our determination is that ***there is currently no judicially recognized separate "technological arts" test to determine patent eligible subject matter under § 101***. We decline to propose to create one. Therefore, it is apparent that ***the examiner's rejection can not be sustained***.

Ex parte Lundren, Appeal No. 2003-2088, Application 08/093,516 (Precedential BPAI opinion September 2005). (Emphasis Added).

Thus, it is respectfully submitted that the present rejection is based on an improper test. Accordingly, reconsideration and withdrawal of the rejection of claims 1-10 and 26-28 under 35 U.S.C. § 101 is respectfully requested.

In addition, the Applicants respectfully request that the Examiner call the undersigned at (817) 447-9955, if the Examiner has additional comments or suggestions to the 35 U.S.C. § 101 rejection of the subject Application or if the Examiner believes it would be easier to discuss the 35 U.S.C. § 101 rejection over the telephone.

REJECTION UNDER 35 U.S.C. § 112:

Claims 1-10 and 26-29 stand rejected under 35 U.S.C. § 112, second paragraph, as allegedly being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicants regard as the invention. The Applicants respectfully disagree.

Nonetheless, the Applicants have amended independent claims 1 and 26-29 and dependent claims 7-9 to expedite prosecution of this Application and to more particularly point out and distinctly claim the subject matter which the Applicants regard as the invention. By making these amendments, the Applicant does not indicate agreement with or acquiescence to the Examiner's position with respect to the rejections of these claims under 35 U.S.C. § 112, as set forth in the Office Action. Particularly, the Applicants reserve the right to file additional claims in this Application or through a continuation patent application of substantially the same scope of originally filed claims 1-10 and 26-29.

In addition, the undersigned spoke with Examiner Fischer on 10 May 2006 regarding the rejection of claim 3 under 35 U.S.C. § 112. Specifically, the undersigned asserted and the Examiner agreed that claim 3 is a Markush Group and as such the list presented in claim 3 is a disjunctive list, per the MPEP.

The Applicants respectfully submit that amended independent claims 1 and 26-29 and dependent claims 7-9 are considered to be in full compliance with the requirements of 35 U.S.C. § 112. The Applicants further respectfully submit that amended independent claims 1 and 26-29 and dependent claims 7-9 are in condition for allowance.

With respect to dependent claims 2, 3, and 5-10, these claims depend from amended independent claim 1. As mentioned above, amended independent claim 1 is considered to be in full compliance with the requirements of 35 U.S.C. § 112. Thus, dependent claims 2, 3, and 5-10 are considered to be in condition for allowance for at least the reason of depending from an allowable claim. Thus, the Applicants respectfully request that the rejection of claims 1-10 and 26-29 under 35 U.S.C. § 112 be reconsidered and that claims 1-10 and 26-29 be allowed.

REJECTION UNDER 35 U.S.C. § 102(e):

Claims 1-10 and 26-29 stand rejected under 35 U.S.C. § 102(e) over *Salvo*.

Although the Applicants believe claims 1-10 and 26-29 are directed to patentable subject matter without amendment, the Applicants have canceled without prejudice claim 4

and amended claims 1, 7-9, and 26-29 to more particularly point out and distinctly claim the Applicants invention. By making these amendments, the Applicants do not indicate agreement with or acquiescence to the Examiner's position with respect to the rejections of these claims under 35 U.S.C. § 102(e), as set forth in the Office Action.

The Applicants respectfully submit that ***the amendments to independent claims 1 and 26-29 have rendered moot the Examiner's rejection of claims 1-10 and 26-29 and the Examiner's arguments in support of the rejection of claims 1-10 and 26-29.*** The Applicants further submit that amended independent claims 1-10 and 26-29 in their current amended form contain unique and novel limitations that are not disclosed, suggested, or even hinted at in *Salvo*. Thus, the Applicants respectfully traverse the Examiner's rejection of claims 1-10 and 26-29 under 35 U.S.C. § 102(e) over *Salvo*.

Salvo Fails to Disclose, Teach, or Suggest Various Limitations Recited in Applicant's Claims

For example, with respect to amended independent claim 1, this claim recites:

A computer-implemented system for managing excess or under capacity at a first entity in a supply chain, the system comprising:

at least one computer system comprising:

a planning application, the planning application receives status data for at least the first entity reflecting the excess or under capacity at the first entity and generates a plan according to the status data; and

a manager application, the manager application receives the plan and, according to the plan, automatically initiates at least one service in an attempt to resolve at least a portion of the excess or under capacity through interaction with one or more other entities and selects the service from among a plurality of available services based on a monetary value to the first entity of a resolution expected to be available using the selected service relative to other services. (Emphasis Added).

Independent claims 26-29 recites similar limitations. *Salvo* fails to disclose each and every limitation of independent claims 1 and 26-29.

The Applicant's Claims are Patentable over *Salvo*

With respect to independent claims 26-29 these claims include limitations similar to those discussed above in connection with amended independent claim 1. Thus, independent claims 26-29 are considered patentably distinguishable over *Salvo* for at least the same reasons as amended independent claim 1.

Furthermore, with respect to dependent claims 2, 3, and 5-10, claims 2, 3, and 5-10 depend from amended independent claim 1 and are also considered patentably distinguishable over *Salvo*. Thus, dependent claims 2, 3, and 5-10 are considered to be in condition for allowance for at least the reason of depending from an allowable claim.

Thus, for at least the reasons set forth herein, the Applicants respectfully submit that independent claims 1 and 26-29 and dependent claims 2, 3, and 5-10 are not anticipated by *Salvo*. The Applicants further submit that independent claims 1 and 26-29 and dependent claims 2, 3, and 5-10 are in condition for allowance. Thus, the Applicants respectfully request that the rejection of claims 1-10 and 26-29 under 35 U.S.C. § 102(e) be reconsidered and that claims 1-10 and 26-29 be allowed.

THE LEGAL STANDARD FOR ANTICIPATION REJECTIONS UNDER 35 U.S.C. § 102:

The following sets forth the legal standards for "anticipation."

The events that can lead to anticipation can be divided into the following seven categories, all defined by statute:

1. Prior Knowledge: The invention was publicly known in the United States before the patentee invented it.
2. Prior Use: The invention was publicly used in the United States either (i) before the patentee invented it; or (ii) more than one year before he filed his patent application.

3. Prior Publication: The invention was described in a printed publication anywhere in the world either (i) before the patentee invented it; or (ii) more than one year before he filed his patent application.

4. Prior Patent: The invention was patented in another patent anywhere in the world either (i) before the patentee invented it; or (ii) more than one year before he filed his application.

5. On Sale: The invention was on sale in the United States more than one year before the patentee filed his application.

6. Prior Invention: The invention was invented by another person in the United States before the patentee invented it, and that other person did not abandon, suppress or conceal the invention.

7. Prior U.S. Patent: The invention was described in a patent granted on a patent application filed in the United States before the patentee made the invention.

Each of those seven events has its own particular requirements, but they all have the following requirements in common:

1. Anticipation must be shown by clear and convincing evidence.
2. If one prior art reference completely embodies the same process or product as any claim, the product or process of that claim is anticipated by the prior art, and that claim is invalid. To decide whether anticipation exists, one must consider each of the elements recited in the claim and determine whether all of them are found in the particular item alleged to be anticipating prior art.
3. There is no anticipation unless every one of those elements is found in a *single* prior publication, prior public use, prior invention, prior patent, prior knowledge or prior sale. One may not combine two or more items of prior art to make out an anticipation. One should, however, take into consideration, not only what is expressly disclosed or embodied in the particular item of prior art, but also what inherently occurred in its practice.

4. There cannot be an accidental or unrecognized anticipation. A prior duplication of the claimed invention that was accidental, or unrecognized, unappreciated, and incidental to some other purpose is not an invalidating anticipation.

Those four requirements must be kept in mind and applied to each kind of anticipation in issue. The following additional requirements apply to some categories of anticipation.

1. Prior Knowledge: An invention is anticipated if it was known by others in the United States before it was invented by the patentee. "Known," in this context, means known to the public. Private knowledge, secret knowledge or knowledge confined to a small, limited group is not necessarily an invalidating anticipation. Things that were known to the public only outside the United States are not invalidating anticipation.

2. Prior Use: An invention is anticipated if it was used by others before it was invented by the patentee, or more than one year before the patentee filed his patent application. "Use," in this context, means a public use.

3. Prior Publication: A patent is invalid if the invention defined by the Claims was described in a printed publication before it was invented by the patentee or more than one year prior to the filing date of his application. For a publication to constitute an anticipation of an invention, it must be capable, when taken in conjunction with the knowledge of people of ordinary skill in the art, of placing the invention in the possession of the reader. The disclosure must be enabling and meaningful. In determining whether the disclosure is complete, enabling, and meaningful, one should take into account what would have been within the knowledge of a person of ordinary skill in the art at the time, and one may consider other publications that shed light on the knowledge such a person would have had.

4. Prior Patent: If the invention defined by the claims was patented in the United States or a foreign country, either before it was invented by the inventor or more than one year before the inventor filed his patent application, then the invention was anticipated. The effective date for this type of anticipation is the date on which two things

co-existed: (i) the owner of the referenced patent had the right to enforce that patent; and (ii) the reference patent was available to the public. What was "patented" in the reference patent is determined by what is defined by its claims, interpreted in the light of the general description.

5. On Sale: A patent is invalid if the invention claimed in it was on sale in the United States more than one year prior to the application filing date.

6. Prior Invention: If the invention defined by the claims was invented by another person, in the United States, before it was invented by the inventor, and that other person did not abandon, suppress, or conceal the invention, the invention lacks novelty. A prior invention, even if put in physical form and shown to produce the desired result, is not an invalidating anticipation unless some steps were taken to make it public. However, it is not necessary that the inventor had knowledge of that prior invention.

7. Prior U.S. Application: A patent is invalid for lack of novelty if the invention defined by the claims was described in a United States patent issued on a patent application filed by another person before the invention was made by the inventor. The effective date of a prior application for purposes of this issue is the date on which it was filed in the United States. Foreign-filed patent applications do not apply. If the issued United States patent claims the benefit of more than one United States application, its effective date as an anticipation is the filing date of the first United States application that discloses the invention claimed in that referenced patent.

Experimental Use Exception: The law recognizes that it is beneficial to permit the inventor the time and opportunity to develop his invention. As such there is an "experimental use" exception to the "public use" and "on sale" rules. Even though the invention was publicly used or on sale, more than one year prior to the application filing date, that does not invalidate the patent, provided the principal purpose was experimentation rather than commercial benefit. If the primary purpose was experimental, it does not matter that the public used the invention or that the inventor incidentally derived profit from it.

When a public use or sale is shown, the burden is on the inventor to come forward with evidence to support the experimental use exception. Only experimentation by or under the control of the inventor qualifies for this exception. Experimentation by a third party, for its own purposes, does not qualify for this exception. Once the invention leaves the inventor's control, its use is a public one, even if further experimentation takes place.

The experimentation must relate to the claimed features of the invention. And it must be for the purpose of technological improvement, not commercial exploitation. If any commercial exploitation does occur, it must be merely incidental to the primary purpose of experimentation. A test done primarily for marketing, and only incidentally for technological improvement, is a public use.

REJECTION UNDER 35 U.S.C. § 103(a):

Claims 1-10 and 26-29 stand rejected under 35 U.S.C. § 103(a) over *Huang* in view of *Greene* and in further view of *White*.

Although the Applicants believe claims 1-10 and 26-29 are directed to patentable subject matter without amendment, the Applicants have canceled without prejudice claim 4 and amended claims 1, 7-9, and 26-29 to more particularly point out and distinctly claim the Applicants invention. By making these amendments, the Applicants do not indicate agreement with or acquiescence to the Examiner's position with respect to the rejections of these claims under 35 U.S.C. § 103(a), as set forth in the Office Action.

The Applicants respectfully submit that *Huang*, *Greene*, or *White*, either individually or in combination, fail to disclose, teach, or suggest each and every element of claims 1-10 and 26-29. Thus, the Applicants respectfully traverse the Examiner's obvious rejection of claims 1-10 and 26-29 under 35 U.S.C. § 103(a) over the proposed combination of *Huang*, *Greene*, and *White*, either individually or in combination.

The Proposed *Huang-Greene-White* Combination Fails to Disclose, Teach, or Suggest Various Limitations Recited in Applicants Claims

For example, with respect to amended independent claim 1, this claim recites:

A computer-implemented system for managing excess or under capacity at a first entity in a supply chain, the system comprising:

at least one computer system comprising:

a planning application, the planning application **receives status data for at least the first entity reflecting the excess or under capacity at the first entity and generates a plan according to the status data**; and

a manager application, the manager application receives the plan and, according to the plan, **automatically initiates at least one service in an attempt to resolve at least a portion of the excess or under capacity through interaction with one or more other entities** and selects the service from among a plurality of available services based on a monetary value to the first entity of a resolution expected to be available using the selected service relative to other services. (Emphasis Added).

Amended independent claims 26-29 recite similar limitations. *Huang, Green, and White*, either individually or in combination, fail to disclose each and every limitation of amended independent claims 1 and 26-29.

The Applicants respectfully submit that *Huang* has nothing to do with a **“computer-implemented system for managing excess or under capacity at a first entity in a supply chain”**. Rather *Huang* discloses a decision supporting system for managing an agile supply chain. (Abstract). The Applicants further submit that the Examiner has misdescribed the decision supporting system disclosed in *Huang*. For example, the Examiner asserts that *Huang* discloses a planning application which is a supply chain planning engine 160. (18 April 2006 Final Office Action, Page 5). The Applicants respectfully disagree and respectfully submit that *Huang* does not disclose a supply chain planning engine, but instead discloses a Production-Sales-Inventory Planning Frame 160. This Production-Sales-Inventory Planning Frame 160 of *Huang* merely provides for a user interface which is customized to the specific needs of the Production-Sales-Inventory planning process. Thus *Huang* cannot provide for a **“computer-implemented system for managing excess or under capacity at a first entity in a supply chain”**, as recited in amended independent claim 1, since the Production-Sales-Inventory Planning Frame 160 of *Huang* is not a supply chain planning engine as relied upon by the Examiner.

The Applicants further respectfully submit that *Huang* has nothing to do with “**at least one computer system comprising: a planning application, the planning application receives status data for at least the first entity reflecting the excess or under capacity at the first entity and generates a plan according to the status data**”. Rather, as discussed above *Huang* merely discloses a decision supporting system for managing an agile supply chain. (Abstract). The Applicants further submit that the Examiner has misdescribed the decision supporting system disclosed in *Huang*. For example, the Examiner asserts that *Huang* includes status data as demand data 148. (18 April 2006 Final Office Action, Page 5). The Applicants respectfully disagree. *Huang* does not disclose, teach or suggest “**at least one computer system comprising: a planning application, the planning application receives status data for at least the first entity reflecting the excess or under capacity at the first entity and generates a plan according to the status data**”. Rather *Huang* merely discloses a Demand Orientation Data 148. This Demand Orientation Data 148 of *Huang* merely provides for data to develop the customer-centric bottom-up forecasts in a forecast data. Thus, *Huang* cannot provide for “**at least one computer system comprising: a planning application, the planning application receives status data for at least the first entity reflecting the excess or under capacity at the first entity and generates a plan according to the status data**”, since the Demand Orientation Data 148 of *Huang* is not a status data as demand data 148 as relied upon by the Examiner.

The Applicants still further respectfully submit that the Office Action acknowledges, and Applicants agree, that *Huang* fails to disclose the emphasized limitations noted above in amended independent claim 1. Specifically the Examiner acknowledges that *Huang* fails to disclose **a manager application, the manager application receives the plan and, according to the plan, automatically initiates at least one service in an attempt to resolve at least a portion of the excess or under capacity through interaction with one or more other entities** and selects the service from among a plurality of available services based on a monetary value to the first entity of a resolution expected to be available using the selected service relative to other services, as recited in amended independent claim 1. (18 April 2006 Final Office Action, Page 5). However, the Examiner asserts that the cited portions of *Greene*, i.e.

Chapter 10, teach “attempts” at “resolving” capacity issues. (18 April 2006 Final Office Action, Page 5). The Applicants respectfully disagree. The Applicants respectfully traverse the Examiners assertions regarding the subject matter disclosed in *Greene*.

The Applicants respectfully submit that *Greene* has nothing to do with amended independent claim 1 limitations regarding “**a manager application**, the manager application receives the plan and, according to the plan, **automatically initiates at least one service in an attempt to resolve at least a portion of the excess or under capacity through interaction with one or more other entities** and selects the service from among a plurality of available services based on a monetary value to the first entity of a resolution expected to be available using the selected service relative to other services”. Rather, *Greene* merely describes an approach to capacity planning to assure that the necessary resources are available to accomplish the manufacturing orders that have been planned. (Chapter 10, Page 10.1). *Greene* does not disclose, teach, or suggest “**automatically initiates at least one service in an attempt to resolve at least a portion of the excess or under capacity through interaction with one or more other entities**”. Thus *Greene* cannot provide for “**a manager application**, the manager application receives the plan and, according to the plan, **automatically initiates at least one service in an attempt to resolve at least a portion of the excess or under capacity through interaction with one or more other entities** and selects the service from among a plurality of available services based on a monetary value to the first entity of a resolution expected to be available using the selected service relative to other services”, since *Greene* does not even provide for a capacity planning approach to resolve at least a portion of the excess or under capacity, as recited in amended independent claim 1.

The Applicants respectfully submit that the Office Action has failed to properly establish a *prima facie* case of obviousness based on the proposed combination of *Huang*, *Greene*, or *White*, either individually or in combination. The Office Action has not shown the required teaching, suggestion, or motivation in these references or in knowledge generally available to those of ordinary skill in the art at the time of the invention to combine these references as proposed. The Office Action merely states that “it would have been obvious to a person having ordinary skill in the art at the time the invention was

made to modify *Huang* as taught by *Greene* to include attempts at least a portion of the capacity extreme through interactions.” (18 April 2006 Final Office Action, Page 5). The Applicants respectfully disagree.

The Applicants further submit that this purported advantage relied on by the Examiner is nowhere disclosed, taught, or suggested in *Huang*, *Greene*, or *White*, either individually or in combination. The Examiner asserts that the motivation to combine the references as proposed would be because it “**would have helped improved decision to accomplish the production plans as the most affordable costs.**” (18 April 2006 Final Office Action, Page 5). The Applicants respectfully disagree and further respectfully request clarification as to how the Examiner arrives at this conclusion. For example, how does “**improved decision to accomplish the production plans**” directly relate to the “**most affordable costs**” and to what extent does the Examiner purport that “**the most affordable costs**” applies to the subject Application. **The Applicants respectfully request the Examiner to point to the portions of Huang, Greene, or White which contain the teaching, suggestion, or motivation to combine these references for the for the Examiner’s stated purported advantage.** The Applicants further submit that the Examiner is using the subject Application as a template to formulate reconstructive hindsight, which constitutes impermissible use of hindsight under 35 U.S.C. § 103(a).

A recent Federal Circuit case makes it crystal clear that, in an obviousness situation, the **prior art must disclose each and every element of the claimed invention, and that any motivation to combine or modify the prior art must be based upon a suggestion in the prior art.** *In re Lee*, 61 U.S.P.Q.2d 1430 (Fed. Cir. 2002). (Emphasis Added). Conclusory statements regarding common knowledge and common sense are insufficient to support a finding of obviousness. *Id.* at 1434-35. With respect to the subject Application, the **Examiner has not adequately supported the selection and combination of Huang, Greene, or White to render obvious the Applicants claimed invention.** The Examiner’s conclusory statements that “it would have been obvious to a person having ordinary skill in the art at the time the invention was made to modify *Huang* as taught by *Greene* to include attempts at least a portion of the capacity extreme through interactions” and that it “**would have helped improved decision to accomplish the**

production plans as the most affordable costs", does not adequately address the issue of motivation to combine. (18 April 2006 Final Office Action, Page 5). This factual question of motivation is material to patentability, and cannot be resolved on subjective belief and unknown authority. *Id.* It is improper, in determining whether a person of ordinary skill would have been led to this combination of references, simply to "[use] that which the inventor taught against its teacher." *W.L. Gore v. Garlock, Inc.*, 721 F.2d 1540 (Fed. Cir. 1983). Thus, ***the Office Action fails to provide proper motivation for combining the teachings of Huang, Greene, or White***, either individually or in combination.

The Applicants Claims are Patentable over the Proposed *Huang-Greene-White* Combination

The Applicants respectfully submit that amended independent claims 26-29 are considered patentably distinguishable over the proposed combination of *Huang, Greene, and White* for at least the reasons discussed above in connection with amended independent claim 1. This being the case, amended independent claims 1 and 26-29 are considered patentably distinguishable over the proposed combination of *Huang, Greene, and White*, either individually or in combination.

With respect to dependent claims 2, 3, and 5-10, claims 2, 3, and 5-10 depend from amended independent claim 1 and are also considered patentably distinguishable over *Salvo*. Thus, dependent claims 2, 3, and 5-10 are considered to be in condition for allowance for at least the reason of depending from an allowable claim.

For at least the reasons set forth herein, the Applicants submit that claims 1-3, 5-10 and 26-29 are not rendered obvious by the proposed combination of *Huang, Greene, and White*. The Applicants further submit that claims 1-3, 5-10 and 26-29 are in condition for allowance. Thus, the Applicants respectfully request that the rejection of claims 1-3, 5-10 and 26-29 under 35 U.S.C. § 103(a) be reconsidered and that claims 1-3, 5-10 and 26-29 be allowed.

THE LEGAL STANDARD FOR OBVIOUSNESS REJECTIONS UNDER 35 U.S.C. § 103:

To establish a *prima facie* case of obviousness, three basic criteria must be met. First, ***there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings.*** Second, there must be a reasonable expectation of success. Finally, ***the prior art reference*** (or references when combined) ***must teach or suggest all the claim limitations.*** The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, ***and not based on applicant's disclosure.*** *In re Vaeck*, 947 F.2d 488, 20 U.S.P.Q.2d 1438 (Fed. Cir. 1991); M.P.E.P. § 2142. Moreover, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 180 U.S.P.Q. 580 (CCPA 1974). If an independent claim is nonobvious under 35 U.S.C. § 103, then any claim depending therefrom is nonobvious. *In re Fine*, 837 F.2d 1071, 5 U.S.P.Q.2d 1596 (Fed. Cir. 1988); M.P.E.P. § 2143.03.

With respect to alleged obviousness, ***there must be something in the prior art as a whole to suggest the desirability,*** and thus the obviousness, of making the combination. *Panduit Corp. v. Dennison Mfg. Co.*, 810 F.2d 1561 (Fed. Cir. 1986). In fact, the absence of a suggestion to combine is dispositive in an obviousness determination. *Gambro Lundia AB v. Baxter Healthcare Corp.*, 110 F.3d 1573 (Fed. Cir. 1997). The mere fact that the prior art can be combined or modified does not make the resultant combination obvious unless the prior art also suggests the desirability of the combination. *In re Mills*, 916 F.2d 680, 16 U.S.P.Q.2d 1430 (Fed. Cir. 1990); M.P.E.P. § 2143.01. The consistent criterion for determining obviousness is whether the prior art would have suggested to one of ordinary skill in the art that the process should be carried out and would have a reasonable likelihood of success, viewed in the light of the prior art. Both the suggestion and the expectation of success must be founded in the prior art, not in the Applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 U.S.P.Q.2d 1438 (Fed. Cir. 1991); *In re O'Farrell*, 853 F.2d 894 (Fed. Cir. 1988); M.P.E.P. § 2142.

A recent Federal Circuit case makes it clear that, in an obviousness situation, the prior art must disclose each and every element of the claimed invention, and that any motivation to combine or modify the prior art must be based upon a suggestion in the prior art. *In re Lee*, 61 U.S.P.Q.2d 1430 (Fed. Cir. 2002). Conclusory statements regarding common knowledge and common sense are insufficient to support a finding of obviousness. *Id.* at 1434-35.

CONCLUSION:


In view of the foregoing amendments and remarks, this application is considered to be in condition for allowance, and early reconsideration and a Notice of Allowance are earnestly solicited.

Although Applicants believe no additional fees are deemed to be necessary; the undersigned hereby authorizes the Commissioner to charge any additional fees which may be required, or credit any overpayments, to **Deposit Account No. 500777**.

Please link this application to Customer No. 53184 so that its status may be checked via the PAIR System.

Respectfully submitted,

5 / 11 / 06
Date


James E. Walton, Registration No. 47,245
Steven J. Laureanti, Registration No. 50,274
Brian E. Harris, Registration No. 48,383
Daren C. Davis, Registration No. 38,425
Michael Alford, Registration No. 48,707
Law Offices of James E. Walton, P.L.L.C.
1169 N. Burleson Blvd., Suite 107-328
Burleson, Texas 76028
(817) 447-9955 (voice)
(817) 447-9954 (facsimile)
jim@waltonpllc.com (e-mail)

CUSTOMER NO. 53184

ATTORNEYS AND AGENTS FOR APPLICANTS